

FILED

CAUSE NO. C-1779

JURISDICTION

- ### STIPULATIONS OF FACT

2. The petition alleges that Respondent violated Neb. Rev. Stat. §§ 44-793, 44-1524, 44-1525(2) as a result of the following conduct:

- a. On November 20, 2008, Petitioner was sent a copy of a complaint from the Wisconsin Office of the Commissioner of Insurance regarding an issue with a claims payment for the Complainant. Barbara Ems ("Ems"), an Insurance Investigator with the Petitioner, contacted Respondent on November 26, 2008, for additional information to aid in her investigation.
- b. On December 22, 2008, Respondent replied and provided some information with regard to the claim. The claim handling appeared to be proper; however, Ems reviewed the policy itself and found that the mental health benefits provided under the policy did not provide the same benefits as for medical services for a physical health condition, as required under Nebraska law. In the policy, it indicated that out of pocket expenses for mental health treatment would not be paid at 100%, and there were limits for the amount of visits to a mental health services.
- c. On February 12, 2009, Ems wrote Respondent regarding this issue. On March 9, 2009 Respondent submitted a response to Ems. In its response, Respondent admitted that the policy was not in compliance with Nebraska law, and that the mental health benefits should be covered as any physical health condition. Respondent stated that they would change the document in April of 2009.
- d. Based upon this response, Ems contacted Respondent again and asked for "compliance instructions," per Respondent's previous letter, and to provide evidence that the master policy was filed in Nebraska and also asked what the company intended to do to inform policyholders.
- e. On April 3, 2009, Respondent admitted that "due to an oversight, the Contracts unit procedures were not adjusted. The Claim payment application of legislation is independent and unaffected by a contract error, and the legislation was applied."
- f. On April 28, 2009, Ems sent a letter to Respondent asking when the first master policy was filed with Petitioner and if they made any changes after the law change in 2000. On May 22, 2009, Respondent wrote back to Ems and indicated that the change in the policy was not applied until 2009, nearly nine years after the law had passed.

3. Respondent was informed of the right to a public hearing. Respondent waives that right, and enters into this Consent Order freely and voluntarily. Respondent understands and acknowledges that by waiving the right to a public hearing, Respondent also waives the right to confrontation of witnesses, production of evidence, and judicial review.

4. Respondent admits the allegations contained in the Petition and restated in Paragraph #2 above.

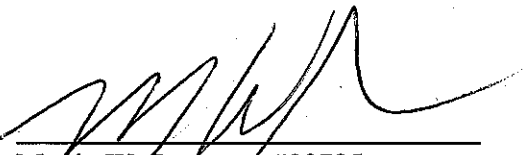
CONCLUSIONS OF LAW

The conduct of Connecticut General Life Insurance Company, as alleged above, constitutes multiple violations of Neb. Rev. Stat. §§ 44-793, 44-1524, 44-1525(2).

CONSENT ORDER

It is therefore ordered by the Director of Insurance and agreed to by Respondent, that Respondent, Connecticut General Life Insurance Company, shall pay an administrative fine in the amount of five thousand dollars (\$5,000). Respondent has thirty (30) days from the date of approval of this consent order by the Nebraska Director of Insurance to pay the fine. Additionally, Respondent shall by December 1, 2009, provide to the Department a claims report that will detail whether or not all mental health claims were paid properly per Nebraska statute. If money is owed for back claims, Respondent shall forward immediately any money owed for said claims to the policyholder and/or mental health benefits provider and pay any interest applicable for failure to pay said claims. Respondent shall report said progress on repayment to the Department of Insurance via written communication, bi-weekly until any and all outstanding claims are paid in full. The Department of Insurance may, if necessary, conduct a market conduct examination paid for by Respondent, to verify that the claims have been paid and/or adjusted properly. The Nebraska Department of Insurance shall retain jurisdiction of this matter for the purpose of enabling the Department to make application for such further orders as may be necessary.

In witness of their intention to be bound by this Consent Order, each party has executed this document by subscribing their signatures below.



Martin W. Swanson, #20795
Department of Insurance
941 "O" Street, Suite 400
Lincoln, Nebraska 68508
(402) 471-2201

9/29/09

Date

Connecticut General Life Insurance Company

By: Paul Zuster

9/28/09

Date

State of Connecticut)
County of Hartford) ss. Bloomfield, CT

On this 28th day of September, 2009, Elizabeth Quattrone

personally appeared before me on behalf of Connecticut General Life Insurance Company and read this Consent Order, executed the same and acknowledged the same to be their voluntary act and deed.

Nancy Leduc
Notary Public

NANCY J. LEDUC
NOTARY PUBLIC
COMMISSION EXPIRES AUG 31, 2014

CERTIFICATE OF ADOPTION

I hereby certify that the foregoing Consent Order is adopted as the Final Order of the Nebraska Department of Insurance in the matter of State of Nebraska Department of Insurance vs. Connecticut General Life Insurance Company, Cause No. C-1779.

STATE OF NEBRASKA
DEPARTMENT OF INSURANCE

Ann M. Frohman
Ann M. Frohman
Director of Insurance

10/2/2009
Date

CERTIFICATE OF SERVICE

I hereby certify that a copy of the executed Consent Order was served upon Respondent by mailing a copy to Respondent's registered mailing address of 1601 Chestnut Street, TL18A, Philadelphia, PA 19192-2362, by certified mail, return receipt requested, on this 2nd day of October, 2009.

I also hereby certify that a copy of the executed Consent Order was served upon Respondent by mailing a copy to Respondent's registered agent for service of process, Josephine A. Marchetti, at CIGNA Corporation, 1601 Chestnut Street, Philadelphia, PA 19192, by certified mail, return receipt requested, on this 2nd day of October, 2009.

Lacey A. Gish